COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY) CASE NO.
AUTHORIZING LG&E TO BID ON A GAS) 2014-00190
FRANCHISE ESTABLISHED BY THE CITY OF)
SIMPSONVILLE)

ORDER

On June 10, 2014, Louisville Gas and Electric Company ("LG&E") filed its Revised Application with the Commission seeking a Certificate of Public Convenience and Necessity to qualify it to bid on a franchise for gas distribution offered by the city of Simpsonville, Kentucky. Under the provisions of KRS 278.020(4), no utility may apply for a franchise from any governmental agency until it has obtained a Certificate of Public Convenience and Necessity from this Commission based on our finding that there is a need and demand for the service sought to be rendered.

In light of the city of Simpsonville's ordinance creating a franchise for gas distribution, the Commission determines that there is evidence of a need and demand for a gas distribution in the above-mentioned city. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the qualifications of the bidder, the validity of any of the provisions of the franchises offered by said city, or the manner in which any franchise fees are to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. LG&E is granted a Certificate of Public Convenience and Necessity that

authorizes it to bid on a franchise for gas distribution offered by the city of Simpsonville,

Kentucky.

2. If LG&E is not the successful bidder, LG&E shall, within ten days of the

award of the franchise at issue, file with the Commission a written notice stating that

LG&E was not the successful bidder.

3. If LG&E is the successful bidder, LG&E shall, within ten days of the award

of the franchise at issue, file with the Commission a copy of the executed franchise

agreement and a statement disclosing the amount of the initial franchise fee.

4. If LG&E is the successful bidder, LG&E shall, within ten days of an

increase or decrease in the amount of the initial franchise fee set forth in the franchise

agreement, file with the Commission documentation setting forth the revised fees.

5. Any documents filed pursuant to ordering paragraphs 2, 3, or 4 of this

Order shall reference the number of this case and shall be electronically submitted via

the Commission's electronic Tariff Filing System.

6. This Order shall not be construed as granting a Certificate of Public

Convenience and Necessity to construct utility facilities in said city.

By the Commission

ENTERED

JUN 13 2014

KENTUCKY PUBLIC

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ATTES?

Executive Director

Case No. 2014-00190

Honorable Allyson K Sturgeon Senior Corporate Attorney LG&E and KU Energy LLC 220 West Main Street Louisville, KENTUCKY 40202